

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1732 – HB 2329

March 21, 2018

SUMMARY OF ORIGINAL BILL: Requires the operator of a beauty pageant, which has been cancelled or does not take place, to refund all entrants' fees within 10 business days of the date the pageant was canceled or the pageant's scheduled date, whichever occurs first.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (015270): Deletes all language after the enacting clause. Deletes all regulations for beauty pageants.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue – \$1,300/Board of Beauty Pageants

Decrease State Expenditures – \$6,500/Board of Beauty Pageants

Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Board of Beauty Pageants experienced a surplus of \$1,550 in FY15-16, a deficit of \$4,815 in FY16-17, and had a negative reserve balance of \$10,159 on June 30, 2017.

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 47-18-202, every operator of a beauty pageant must register and pay a \$50 registration fee to the Board of Beauty Pageants (BBP).
- Passage of this legislation will result in beauty pageant operators no longer being required to register with the BBP.
- Based on information provided by the DCI, the total fee revenue for beauty pageant registration was \$1,550 in FY15-16 and \$950 for FY16-17.
- The recurring decrease in fee revenue to the BBP is estimated to be \$1,250 $[(\$1,550 + \$950) / 2]$.
- The total expenditures to the BBP were \$6,994 in FY15-16 and \$5,915 in FY16-17.

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- The recurring decrease in expenditures to the BBP is estimated to be \$6,455 [(\$6,994 + \$5,915) / 2].
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Board of Beauty Pageants experienced a surplus of \$1,550 in FY15-16, a deficit of \$4,815 in FY16-17, and had a negative reserve balance of \$10,159 on June 30, 2017.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/vlh